

THE DETERMINANTS TO PURSUE CAREER AS CHARTERED ACCOUNTANTS AMONG BUMIPUTERA ACCOUNTING UNDERGRADUATES – A CONCEPTUAL FRAMEWORK

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Abstract: *Globalization, technological advancements, and increased in number of graduates has intensified job competition, making it crucial to add value and choose the right career path for success. The field of chartered accountancy faces shortage of professionals in many countries, including Malaysia, despite the challenging job market. Efforts are being made to increase the number of certified Bumiputera accountants in Malaysia, with a target of reaching 30 percent by 2030, however the progress has been slow, with less than 10 percent achieving certification as of now. Hence, the purpose of this paper is to identify the determinants that influence career path as chartered accountant among Bumiputera accounting undergraduates in Malaysia. This article provides a conceptual framework to establish a foundation for future research to empirically examine whether financial award, work environment, social values, market factors, and career exposure influence Bumiputera accounting undergraduates to pursue career as chartered accountants in Malaysia.*

Keywords: *Chartered Accountants, Bumiputera, Career, Undergraduates*

Introduction

Globalization, technological advancement, and constant changes in demand and supply in the job market as well as the increase in graduates contribute to fierce competition in securing a job. Adding value and choosing the right field are important to qualify one to get a job and develop a successful career. Conversely, the situation differs in the field of chartered accountants. Many countries around the world are facing a deficit of qualified accountants (Bhat & Khan, 2023; Karlsson & Noela, 2022). It indicates that, even in the difficulty of securing a job, students are still not motivated to choose a career as chartered accountant. According to Sinar Harian report dated 06 August 2022, Chairman of the Malaysian Professional Accounting Centre (MyPac), Datuk Zaiton Mohd Hassan stated that Malaysia lacks in Bumiputera certified accountants (Rozlan, 2022). This issue has been raised for a decade and the government has also taken various initiatives to increase the number of Bumiputera professional accountants to meet the need for 60,000 by the year 2020. Despite the numerous efforts, there are only less than 10% of the total certified accountants in Malaysia who are Bumiputeras. On the other hand, the national accountancy body, Malaysian Institute of Accountants (MIA) targets to increase that number to 30 percent by 2030.

The challenging roles and high requirements are among the reasons for the short supply of certified accountants. Professional accountants are required to have wide range of knowledge, skills and talents. In addition, there are several causes highlighted by previous researchers that lead to a shortage of chartered accountants; such as difficult professional accounting exam (Bath & Khan, 2023), lack of career exposure and awareness (Hashim & Ghani, 2020; Ng, Lai, Su, Yap, Teoh & Lee, 2017), financial reward (Raharja & Liany, 2020; Ng et al., 2017), self-competence (Bouilheras, de Lange, Scully, Yapa & O'Connell, 2021), working environment (Setiawan & Gintings, 2022; Budiandru, 2021; Kusumaningtiar and Anggraini, 2020; Sony & Naik, 2020), social values (Darmayanti & Dientri, 2020; Owusu, Bekoe, Okyere & Welbeck, 2019; Omar, Hasbolah & Yusof, 2019); and market factors (Tan, Laswad & Chua, 2022; Ebaid, 2022; De Villiers, 2021; Hashim & Ghani., 2020). However, there is a lack of evidence in the literature on the factors that influence the career choice among Bumiputera to be a chartered accountant.

Therefore, the purpose of this paper is to identify the determinants that influence career path as chartered accountant among Bumiputera in Malaysia. The targeted respondents are Bumiputera accounting undergraduates from Universiti Teknologi MARA (UiTM) since UiTM students are all Bumiputera. This paper discusses on the causes that leads to choosing a career path as a certified accountant among Bumiputera in the literature review. Followed by the conceptual framework which outlines the independent variables and dependent variables of this study. Then the explanation of the research methods that will be employed in this study and finally a conclusion to end the paper.

Literature Review

According to Meoli, Paleari and Vismara (2019), career path is a person's career choice, and it should be determined at the beginning of a person's career because it is a lifelong journey. The term "career path" in this study refers to the decision an accounting student makes about their career after graduation. Amaning, Anim, Kyere, & Peprah-Amankona (2020) and Owusu et al. (2018) had conducted studies on the variables that influence students' decisions to pursue accounting careers in various settings. They asserted that factors such as employment opportunities, prestige, job market conditions, job security, and career advancement can either motivate or dissuade students from choosing accounting as a career. However, their findings

are mixed and inconclusive. As such, the purpose of this study is to provide empirical research on the relationship between career path and factors that influence Bumiputera accounting undergraduates' decision to pursue a career as chartered accountants.

Financial Reward and Career Path

According to Ng et al. (2017) and Raharja and Liany (2020), students are drawn to work for accounting firms since they would make a good salary. This is due to the fact that the majority of students think that becoming an accountant will them to earn salary that are higher than average compared to those of other professions. This thought is consistent with Laksmi and Al Hafis (2019), who found that accounting students in Indonesia were found to be positively motivated to pursue careers as accountants due to the favourable impact of financial incentives and labour market conditions. However, Mustapha and Hassan (2012) did not find a significant association between financial reward and career path. Mustapha and Hassan (2012) found that financial reward is not a key factor in motivating a student to continue in accounting profession.

Work Environment and Career Path

The workplace environment is a critical factor that significantly influences the productivity of accountants (Sony and Naik, 2020). The work environment includes tools and materials used, the surroundings in which an individual works, the work procedures, and the work arrangements (Setiawan and Gintings, 2022). Kusumaningtiar and Anggraini (2020) found that factors relating to the job do not significantly influence students' willingness to become accountants. However, Budiandru (2021) claimed that the ambition of students to pursue a profession as accountant is influenced by the workplace.

Social Values and Career Path

According to Darmayanti and Dientri (2020), accounting profession can increase the value and sense of prestige of society, making it a more desirable job. Furthermore, Anders (2018) and Setianto and Harahap (2017) claimed that accountants have the opportunity to establish new social connections and broaden their knowledge beyond the realm of accounting through their interactions with professionals from diverse disciplines. That means, accountant tasks require more involvement with clients or other parties. Besides, Darmayanti and Dientri (2020), Owusu et al. (2019) and Omar et al. (2019) found a correlation between social values and one's chosen career path. These studies found that individuals or collectives, such as relatives, peers and educators can influence students' choices about academic pursuits and their professions. In contrast, Alfraihi and Alanezi (2016) shown that the influence of friends and family on the choice of students to continue their studies in the field of accounting is minimal.

Market Factors and Career Path

The aspiration of accounting students to embark on a professional accounting career shows a positive correlation with the presence of job prospects. This indicates that as job prospects within the accounting field grow, the inclination of accounting students to pursue professional accounting careers also rises (Ebaid, 2022; Hasim, Darmayanti & Dientri, 2020). According to De Villiers (2021), embarking on one's professional career in a large corporation may offer benefits for those aiming to develop and sustain their professional skills. Furthermore, Ghani & Muhammad, (2019) see that large organisations employ business strategies that are designed to enhance the performance and facilitate the career progression of high-performing individuals. The career opportunities provide individuals the opportunity to showcase their competence in effectively accomplishing tasks (Tan et al., 2022). Furthermore, Cheong et al. (2018) hold the view that the availability of career opportunities is a significant concern for Malaysian students,

particularly those pursuing accounting studies. To increase the pool of prospective professional accountants, it is recommended, based on existing literature, to focus on job opportunities as the most effective strategy for encouraging students to pursue a degree in accounting (Mellado, Parte & Villanueva, 2020).

Career Exposure and Career Path

Career exposure refers to the degree to which individuals, often students or those early in their professional journeys, are exposed to and informed about various career opportunities, industries, job roles, and the skills and qualifications needed for them. According to Tetteh, Agyenim-Boateng, Kwarteng, Muda and Sunu, (2022), most accounting students gain career exposure by engaging with professional accounting groups. A professional accounting body like the Malaysian Institute of Accountants (MIA) is an organization that certifies individuals who have achieved and demonstrated an appropriate level of professional expertise in the accounting discipline. Previous research has shown that career exposure by professional practitioners has influenced students' decision making regarding their chosen career path (Hashim & Ghani, 2020; Ng et al., 2017). Ng et al. (2017) claimed that students are able to strategize and set their career paths more effectively when they are given more career exposure. However, Hatane, Setiono, Setiawan, Semuel and Mangoting, (2021) discovered that there is no discernible connection between career exposure and career choices among students in public and private universities in Java, Indonesia. Furthermore, their research indicated that accounting students in Java generally do not show a preference for career exposure.

Conceptual Framework

A conceptual framework is a fundamental structure or theoretical model that provides a systematic and organized approach to understanding complex phenomena within a particular field of study (Hamad, Draz, & Lai., 2020). It serves as a foundational blueprint that outlines the key concepts, variables, relationships, and assumptions relevant to a research topic or problem.

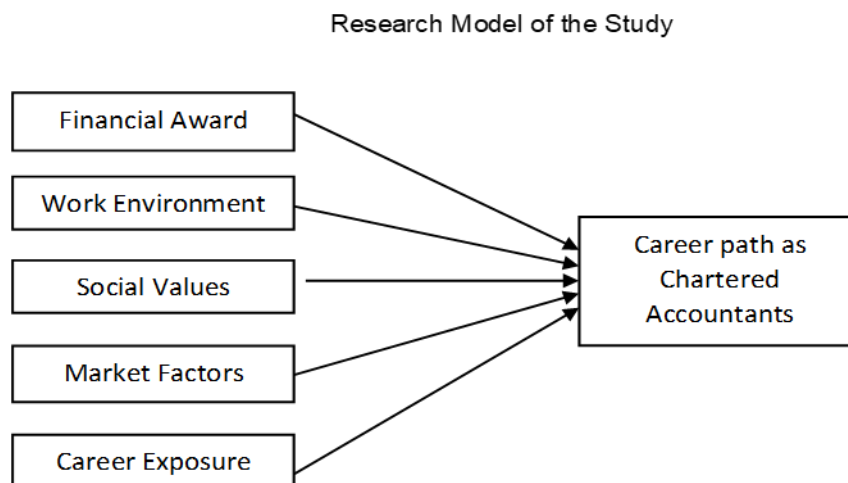


Figure 1: Conceptual Framework

Source: Developed for The Research

Figure 1 shows the conceptual framework for this study in understanding the relationship between the dependent variable, which is the career choice of becoming a chartered accountant, and the independent variables of financial award, work environment, social values, market factors, and career exposure can be envisioned as determinants.

Financial award represents the financial incentives and rewards associated with the profession, serving as a motivating factor for individuals considering this career path (Ramdani, Arumbarkah & Lestari, 2019). Work environment encompasses the conditions, culture, and opportunities within accounting firms or organizations, influencing career decisions (Sony and Naik, 2020). Social values reflect the societal perception and prestige attached to being a chartered accountant, impacting an individual's inclination towards the profession (Darmayanti and Dientri, 2020). Market factors such as demand for accountants and industry trends play a pivotal role in shaping career prospects (Cheong et al., 2018). Lastly, career exposure represents the extent to which individuals are exposed to the profession, which can influence their understanding and interest in pursuing it (Tetteh et al., 2022).

This conceptual framework explicates how these independent variables collectively influence the likelihood of individuals choosing a career as a chartered accountant, with their interactions and relative importance serving as critical determinants in career decision-making within the accounting field. The proposed conceptual framework has important practical implications to accounting academics and policymakers in the accounting industry to develop appropriate strategies to attract Bumiputera accounting students into the profession.

Research Method

This chapter outlines the research methodology to be employed in the study. The primary objective of this research is to identify and understand the determinants influencing Bumiputera accounting undergraduates' career aspirations towards becoming chartered accountants. To achieve this objective, a Likert scale questionnaire will be utilized as the primary data collection instrument. The main data collection method is a structured questionnaire employing a Likert scale to assess undergraduates' perspectives on various determinants influencing their career aspirations.

The targeted respondents are the Bumiputera accounting undergraduates studying in Universiti Teknologi MARA. Bumiputera refers to individuals from the indigenous or native communities of the region.

Conclusion

The scarcity of chartered accountants, especially among the Bumiputera community in Malaysia, despite ongoing efforts, raises concerns about meeting industry demands. This research aims to shed light on the determinants influencing Bumiputera accounting undergraduates in Malaysia to pursue chartered accountancy as a career. The proposed conceptual framework, focusing on factors such as financial award, work environment, social values, market factors, and career exposure, provides a foundation for future empirical studies. Insights gained from this research can inform educational institutions, the accounting industry, and policymakers in developing targeted strategies to attract and retain more Bumiputera accountants, ultimately addressing the shortage and promoting diversity in the profession.

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